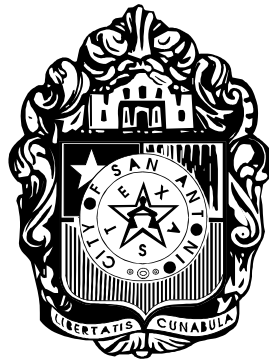


DRAFT

**CITY OF SAN ANTONIO, TEXAS
Neighborhood Action Department**



**Ridge Stone
Tax Increment Reinvestment Zone Twenty-two
Preliminary Reinvestment Zone Financing Plan
FY 2005 Annual Report**

**Participation Levels of City (90%), and Bexar County
(50% of Operation and Maintenance portion of tax rate)**

December 31, 2005

Ridge Stone Subdivision

Tax Increment Reinvestment Zone – Plan of Finance

Introduction

The proposed Ridge Stone Tax Increment Reinvestment Zone is located in the southwest section of the City of San Antonio, east of Loop 410 and south of Medina Base Road. The development is in the Southwest Independent School District and encompasses approximately 40.587 acres. The 2004 base value is \$1,399,600, which projects captured tax incremental value is \$22,563,400 net of exemptions. The project includes the construction of 245 single-family homes with an average sales price of \$95,000. The total public infrastructure capital cost is estimated at \$3,794,176. The Developer is Bigfish on Five, L.P. who has experience in the development and construction of such projects. Performance and payment bonds will be provided in connection with public infrastructure improvements associated with the project. The life of the Tax Increment Reinvestment Zone (TIRZ) is projected to be 24.81 years with the TIRZ being in existence through fiscal year 2029.

Public Infrastructure

The public infrastructure improvements and related capital costs include site work, streets, drainage/retention, water, sewer, street lights, street signs, electrical, platting/zoning fees, storm water pollution prevention, park fee, drainage fees, off site drainage, sewer/water impact fees, Medina Base Road improvements, engineering expenses, geo-technical, phase one environmental, contingency, construction management, legal and formation fees. The capital cost is estimated at \$3,794,176.

Plan of Finance

The 2004 base value of the TIRZ is \$1,399,600. Construction of 245 single-family homes will be taxed to produce a combined TIF revenue specified on Page 7 of the Plan of Finance to pay for the capital costs. The public and private improvements commence in tax year 2005 with collections commencing in tax year 2005 (fiscal year 2006). Captured values grow from \$1,188,400 in tax year 2005 to \$22,563,400 in tax year 2028 net of exemptions.

The taxing jurisdictions and tax rate per \$100 valuation utilized in the analysis include: City of San Antonio at \$0.520686 and Bexar County at \$0.143704. This produces annual revenues of \$7,698 in fiscal year 2006, \$75,392 in fiscal year 2007, \$146,161 each fiscal year 2008 through fiscal year 2029. A reserve in the amount of \$34,115 for each fiscal year from 2008 through fiscal year 2029 will be set aside for Medina Base Road Improvement. No growth in tax rate or values is assumed.

The cost of the public infrastructure improvements is incurred by the Developer and reimbursed over time from revenues produced by the TIRZ, except for the revenue set

aside for the Medina Base Road improvements. These funds will be utilized by the City to finance those improvements. In addition to the capital costs, other costs to be reimbursed from TIRZ revenues include the City's Financial Advisor and certain City of San Antonio and/or Administrator fees. Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment: (i.) to the payment of eligible costs incurred by the Governmental Entities Participating in the TIRZ; (ii.) to all other ongoing administrative fees pertaining to the City; (iii.) Medina Base Road Improvement Reserve and (iv.) to the Developer, on an annual basis, as TIRZ revenues are available for such reimbursements.

The proposed Developer's capital cost for public infrastructure improvements is \$3,794,176. Revenues from the TIRZ are used to reimburse this amount plus financing costs if any on the unpaid balance at a rate of 4.54%. It is projected that the Developer would not receive any payments until fiscal year 2006. The earliest projected payoff of the capital cost would occur in fiscal year 2029 and includes an estimated Developer contribution of \$2,035,732.

The TIRZ collections for this project shall not extend beyond September 30, 2029 and may be terminated earlier once each taxing entity has deposited its respective amount described in the table below.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Maximum Dollar Contribution	Maximum Length of Contribution
City of San Antonio	\$ 4,180,573	September 30, 2029
Bexar County	\$ 1,153,791	September 30, 2029
Total Contribution to the TIRZ Fund	\$ 5,334,364	

Limited Obligation of the City or Participating Governmental Entities

The City and Participating Governmental Entities shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ fund so long as the project is viable and capital costs incurred by the Developer have not been fully paid. The TIRZ collections for this project shall not extend beyond September 30, 2029, and may be terminated prior to September 30, 2029, upon payment of public improvements capital costs incurred by the Developer totaling \$3,794,176 or for the failure of the Developer to perform. The City may elect to terminate a TIRZ if 50% of the housing and/or commercial construction projected for years 1, 2, and 3 from date the TIRZ is created is not complete. Only housing and/or commercial components count towards completion of the construction schedule, infrastructure construction does not. Furthermore, any default of the terms contained in the Interlocal and/or Development Agreements that is not cured within the timeframe contained in the Interlocal and/or Development Agreements may also result in Zone Termination.

Any costs incurred by the Developer are not and shall never in any event become general obligations or debt of the City or any of the Participating Governmental Entities. The public improvement infrastructure costs incurred by the Developer shall be paid solely from the TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, the Participating Governmental Entities, any political corporation, subdivision, or agency of the State.

Developer's Risk

All financing, developmental costs, construction costs, improvements, damages, or other costs incurred with respect to this project are at the sole risk of the Developer. Neither the City nor any Participating Governmental Entity shall incur any risk whatsoever associated with the development, construction, completion or failure of the project. In the event that the project fails, is abandoned by the Developer or for any reason is not completed, the City shall have the right to terminate the TIRZ and any funds remaining in the TIRZ account shall be distributed to the City and Participating Governmental Entities on a pro rata basis in accordance with each entity's participation level.

Compliance

The Developer shall comply with all federal, state and local laws, rules and regulations including the 2004 TIF Guidelines.

Reporting

The Developer shall submit a project status report and financial report on a quarterly basis (January 15th, April 15th, July 15th and October 15th) to the City.

Inspection

The City, Participating Governmental Entities, or Administrator shall have the right to inspect the project site or sites and the premises of the Developer without notice.

City of San Antonio
Ridge Stone - TIF Reinvestment Zone
Summary Fact Sheet
December 16, 2004

Agenda: Preliminary Finance Plan

Plan of Finance: Site Area 40.587 Acres
Single Family Development 40.587 Acres

Base Value (2004) In City \$ 1,399,600

*Average Single Family Home Price Per Home \$ 95,000

Project Year:

Phase I	2004	20	Single Family Homes
Phase II	2005	110	Single Family Homes
Phase III	2006	115	Single Family Homes
Phase IV	2007-2028		Medina Base Road Improvements
Total		<u>245</u>	

Experience of Housing Developer

Bigfish on Five, L.P.
San Antonio, Texas

Business Entity is 100% owned by Turner Bowman. Bigfish Development have purchased and developed parcels of land and sells lots to homebuilders in the affordable housing market. Presently developing Meadow Way , a 90 lot subdivision on the north side of San Antonio.

Performance Bonds: See Development Agreement

Payment Bonds: See Development Agreement

Assumptions: Captured Value \$ 22,563,400
Assessed Value Growth Factor 0.00%
Collection Rate 97.50%
Estimated Total TIF Revenues \$ 3,298,632
Estimated TIF Life (12/16/2004 to 9/30/2029) 24.81 Years

*Average single family home price provided by the Developer

Ridge Stone - Tax Increment Reinvestment Zone

Sources and Uses

Sources of Funds

Total TIF Revenues	\$ 3,298,632
Developer Contribution	\$ 2,035,732
Total Sources of Funds	<u>\$ 5,334,364</u>

Uses of Funds

	Phase I	Phase II	Phase III	Phase IV	Total
	2004	2005	2006	2007-2028	Infrastructure Improvements
Begin Construction	20	110	115		245
Single Family Lots					
Site Work	\$ 21,750	\$ 19,163	\$ 23,375	\$ -	\$ 64,288
Streets	\$ 293,408	\$ 258,502	\$ 315,329	\$ -	\$ 867,239
Drainage /Retention	\$ 116,232	\$ 49,823	\$ 60,775	\$ -	\$ 226,830
Water	\$ 129,761	\$ 114,323	\$ 139,455	\$ -	\$ 383,539
Sewer	\$ 113,361	\$ 99,875	\$ 121,831	\$ -	\$ 335,067
Street Lights/Signs	\$ 13,050	\$ 11,498	\$ 14,025	\$ -	\$ 38,573
Electric	\$ 26,709	\$ 23,532	\$ 28,705	\$ -	\$ 78,946
Platting/Zoning Fees	\$ 10,655	\$ 8,943	\$ 10,413	\$ -	\$ 30,011
Storm Water Pollution Prevention	\$ 4,350	\$ 3,833	\$ 4,675	\$ -	\$ 12,858
Park Fee	\$ 6,112	\$ 5,128	\$ 5,971	\$ -	\$ 17,211
Drainage Fees	\$ -	\$ 16,800	\$ 16,800	\$ -	\$ 33,600
Offsite Drainage	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000
Sewer/Water Impact Fees	\$ 121,278	\$ 101,762	\$ 118,490	\$ -	\$ 341,530
Medina Base Road Improvements	\$ -	\$ -	\$ -	\$ 750,515	\$ 750,515
Hard Costs:	\$ 856,666	\$ 773,182	\$ 859,844	\$ 750,515	\$ 3,240,207
Engineering/Surveying Fees	\$ 80,942	\$ 65,002	\$ 79,292	\$ -	\$ 225,236
Geotechnical	\$ 5,000	\$ 2,500	\$ 2,500	\$ -	\$ 10,000
Phase One Environmental	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
Contingency	\$ 34,267	\$ 46,391	\$ 51,591	\$ -	\$ 132,249
Construction Management	\$ 42,833	\$ 38,659	\$ 42,992	\$ -	\$ 124,484
Legal/Formation Expense	\$ 59,000	\$ -	\$ -	\$ -	\$ 59,000
Subtotal	\$ 225,042	\$ 152,552	\$ 176,375	\$ -	\$ 553,969
Subtotal	\$ 1,081,708	\$ 925,734	\$ 1,036,219	\$ 750,515	\$ 3,794,176
Total Infrastructure	\$ 3,794,176				
Financing Cost @ 4.54%	\$ 1,105,188				
Total Payments to Ridge Stone	\$ 4,899,364				
Total Admin. Expenses	\$ 435,000				
Grand Total	<u>\$ 5,334,364</u>				
Project Financing Surplus (Shortage)	\$ -				

Ridge Stone - TIF Reinvestment Zone

Projected Tax Increment Revenue

Tax Year	Tax Increment Zone				City of San Antonio			Bexar County			Combined TIF Collections	Fiscal Year Ending
	Beginning Assessed Value	Annual Value of New Development	Projected Year-End Assessed Value	Projected Captured Value	Captured Taxable Value	Tax Rate Contribution	Tax Increments	Captured Taxable Value	Tax Rate Contribution*	Tax Increments		
2004	1,399,600	-	1,399,600	-	-	0.5206860	-	-	0.140760	-	-	2005
2005	1,399,600	1,188,400	2,588,000	1,188,400	1,188,400	0.5206860	6,033	1,188,400	0.143704	1,665	7,698	2006
2006	2,588,000	10,450,000	13,038,000	11,638,400	11,638,400	0.5206860	59,085	11,638,400	0.143704	16,307	75,392	2007
2007	13,038,000	10,925,000	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2008
2008	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2009
2009	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2010
2010	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2011
2011	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2012
2012	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2013
2013	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2014
2014	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2015
2015	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2016
2016	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2017
2017	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2018
2018	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2019
2019	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2020
2020	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2021
2021	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2022
2022	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2023
2023	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2024
2024	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2025
2025	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2026
2026	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2027
2027	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2028
2028	23,963,000	-	23,963,000	22,563,400	22,563,400	0.5206860	114,547	22,563,400	0.143704	31,614	146,161	2029
\$ 22,563,400					\$ 2,585,152			\$ 713,480			<u>\$ 3,298,632</u>	
Existing Annual Value Growth Factors					Participation Level			Participation Level*				
Years				0.00%			90%			50%		
Thereafter				0.00%	Tax Rate Growth Factor		0.00%	Tax Rate Growth Factor		0.00%		
Combined Compound Growth Rate				0.00%	Tax Rate Collection Factor		97.50%	Tax Rate Collection Factor		97.50%		

Notes:

*Bexar County is participating at 50% of their Operation and Maintenance tax rate not the total tax rate

Ridge Stone - TIF Reinvestment Zone
Reimbursement for Public Improvements

	Fiscal Year Ending	TIF Revenue	Cumulative TIF Revenues	Expenses for Pub. Imp. Infrastructure	Admin. Exp.*	Interest on Deficit	TIF Fund Balance
1-Sep-05	2005	-	-	-	75,000	-	(75,000)
1-Sep-06	2006	7,698	7,698	16,353	15,000	(3,405)	(102,060)
1-Sep-07	2007	75,392	83,090	53,863	15,000	(4,634)	(100,164)
1-Sep-08	2008	146,161	229,251	125,419	15,000	(4,547)	(98,970)
1-Sep-09	2009	146,161	375,412	144,731	15,000	(4,493)	(117,033)
1-Sep-10	2010	146,161	521,573	127,462	15,000	(5,313)	(118,647)
1-Sep-11	2011	146,161	667,734	121,829	15,000	(5,387)	(114,701)
1-Sep-12	2012	146,161	813,895	121,332	15,000	(5,207)	(110,079)
1-Sep-13	2013	146,161	960,056	120,744	15,000	(4,998)	(104,660)
1-Sep-14	2014	146,161	1,106,217	120,065	15,000	(4,752)	(98,316)
1-Sep-15	2015	146,161	1,252,378	125,296	15,000	(4,464)	(96,915)
1-Sep-16	2016	146,161	1,398,539	125,163	15,000	(4,400)	(95,317)
1-Sep-17	2017	146,161	1,544,700	124,895	15,000	(4,327)	(93,378)
1-Sep-18	2018	146,161	1,690,861	124,490	15,000	(4,239)	(90,946)
1-Sep-19	2019	146,161	1,837,022	123,948	15,000	(4,129)	(87,862)
1-Sep-20	2020	146,161	1,983,183	123,271	15,000	(3,989)	(83,961)
1-Sep-21	2021	146,161	2,129,344	122,457	15,000	(3,812)	(79,069)
1-Sep-22	2022	146,161	2,275,505	121,508	15,000	(3,590)	(73,006)
1-Sep-23	2023	146,161	2,421,666	121,422	15,000	(3,314)	(66,581)
1-Sep-24	2024	146,161	2,567,827	121,154	15,000	(3,023)	(59,597)
1-Sep-25	2025	146,161	2,713,988	120,088	15,000	(2,706)	(51,230)
1-Sep-26	2026	146,161	2,860,149	119,977	15,000	(2,326)	(42,372)
1-Sep-27	2027	146,161	3,006,310	119,392	15,000	(1,924)	(32,526)
1-Sep-28	2028	146,161	3,152,471	118,625	15,000	(1,477)	(21,467)
1-Sep-29	2029	146,161	3,298,632	107,676	15,000	(975)	1,044
		\$ 3,298,632		\$ 2,771,159	\$ 435,000	\$ (91,429)	

* Annual Administrative Expenses from FY 2006-FY 2029 includes a \$2,000 annual administrative expense for Bexar County

**Ridge Stone - TIF Reinvestment Zone Combined
Participation**

Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Project	TIF Revenues	TIF Expenses
City of San Antonio	0.5785400	90%	0.520686	78.37%	\$ 2,585,152	\$ 4,180,573
Bexar County	0.2874070	50%	0.143704	21.63%	\$ 713,480	\$ 1,153,791
Total	0.8659470		0.664390	100.00%	\$ 3,298,632	\$ 5,334,364

Ridge Stone - TIF Reinvestment Zone
Projected New Value of Tax Increment

Tax Year	Phase I 2005	Phase II 2006	Phase III 2007	Phase IV 2008-2028	Total	Cumulative Total	Fiscal Year
2005	\$ 1,188,400				\$ 1,188,400	\$ 1,188,400	2006
2006		\$ 10,450,000			\$ 10,450,000	\$ 11,638,400	2007
2007			\$ 10,925,000		\$ 10,925,000	\$ 22,563,400	2008
2008				\$ -	\$ -	\$ 22,563,400	2009
2009					\$ -	\$ 22,563,400	2010
2010					\$ -	\$ 22,563,400	2011
2011					\$ -	\$ 22,563,400	2012
2012					\$ -	\$ 22,563,400	2013
2013					\$ -	\$ 22,563,400	2014
2014					\$ -	\$ 22,563,400	2015
2015					\$ -	\$ 22,563,400	2016
2016					\$ -	\$ 22,563,400	2017
2017					\$ -	\$ 22,563,400	2018
2018					\$ -	\$ 22,563,400	2019
2019					\$ -	\$ 22,563,400	2020
2020					\$ -	\$ 22,563,400	2021
2021					\$ -	\$ 22,563,400	2022
2025					\$ -	\$ 22,563,400	2026
2026					\$ -	\$ 22,563,400	2027
2027					\$ -	\$ 22,563,400	2028
2028					\$ -	\$ 22,563,400	2029
	<u>\$ 1,188,400</u>	<u>\$ 10,450,000</u>	<u>\$ 10,925,000</u>	<u>\$ -</u>	<u>\$ 22,563,400</u>		

\$ -	Commercial New Value
\$ 22,563,400	Residential New Value
\$ -	Multi Family New Value
<u>\$ 22,563,400</u>	<u>Total New Value</u>

Ridge Stone - TIF Reinvestment Zone

**Projected Uses of Tax Increment
Construction Completed Cost**

Tax Year	Phase I 2004	Phase II 2005	Phase III 2006	Phase IV 2007-2028	Total
2003					\$ -
2004	\$ 1,081,708				\$ 1,081,708
2005		\$ 925,734			\$ 925,734
2006			\$ 1,036,219		\$ 1,036,219
2007				\$ 750,515	\$ 750,515
2008					\$ -
2009					\$ -
2010					\$ -
2011					\$ -
2012					\$ -
2013					\$ -
2014					\$ -
2015					\$ -
2016					\$ -
2017					\$ -
2018					\$ -
2019					\$ -
2020					\$ -
2021					\$ -
2022					\$ -
2023					\$ -
2024					\$ -
2025					\$ -
2026					\$ -
2027					\$ -
2028					\$ -
	\$ 1,081,708	\$ 925,734	\$ 1,036,219	\$ 750,515	\$ 3,794,176

Ridge Stone - TIF Reinvestment Zone

Projected Tax Increment Revenue

12/16/04

Principal and Interest Requirements

Date	Principal	Interest Rate	Interest	Semi-annual Debt Service	Annual Debt Service
03/01/04	-		-	-	
09/01/04	-	4.54%	-	-	-
03/01/05	-		-	-	
09/01/05	-	4.54%	-	-	-
03/01/06	-		-	-	
09/01/06	-	4.54%	16,353	16,353.08	16,353
03/01/07	-		16,353	16,353	
09/01/07	-	4.54%	37,509	37,509	53,863
03/01/08	-		37,509	37,509	
09/01/08	50,400	4.54%	37,509	87,909	125,419
03/01/09	-		36,365	36,365	
09/01/09	72,000	4.54%	36,365	108,365	144,731
03/01/10	-		34,731	34,731	
09/01/10	58,000	4.54%	34,731	92,731	127,462
03/01/11	-		33,414	33,414	
09/01/11	55,000	4.54%	33,414	88,414	121,829
03/01/12	-		32,166	32,166	
09/01/12	57,000	4.54%	32,166	89,166	121,332
03/01/13	-		30,872	30,872	
09/01/13	59,000	4.54%	30,872	89,872	120,744
03/01/14	-		29,533	29,533	
09/01/14	61,000	4.54%	29,533	90,533	120,065
03/01/15	-		28,148	28,148	
09/01/15	69,000	4.54%	28,148	97,148	125,296
03/01/16	-		26,582	26,582	
09/01/16	72,000	4.54%	26,582	98,582	125,163
03/01/17	-		24,947	24,947	
09/01/17	75,000	4.54%	24,947	99,947	124,895
03/01/18	-		23,245	23,245	
09/01/18	78,000	4.54%	23,245	101,245	124,490
03/01/19	-		21,474	21,474	
09/01/19	81,000	4.54%	21,474	102,474	123,948
03/01/20	-		19,636	19,636	
09/01/20	84,000	4.54%	19,636	103,636	123,271
03/01/21	-		17,729	17,729	
09/01/21	87,000	4.54%	17,729	104,729	122,457
03/01/22	-		15,754	15,754	
09/01/22	90,000	4.54%	15,754	105,754	121,508
03/01/23	-		13,711	13,711	
09/01/23	94,000	4.54%	13,711	107,711	121,422
03/01/24	-		11,577	11,577	
09/01/24	98,000	4.54%	11,577	109,577	121,154
03/01/25	-		9,352	9,352	
09/01/25	99,000	4.54%	11,736	110,736	120,088
03/01/26	-		9,489	9,489	
09/01/26	101,000	4.54%	9,489	110,489	119,977
03/01/27	-		7,196	7,195.90	
09/01/27	105,000	4.54%	7,196	112,195.90	119,391.80
03/01/28	-		4,812	4,812.40	
09/01/28	109,000	4.54%	4,812	113,812.40	118,624.80
03/01/29	-		2,338	2,338.10	
09/01/29	103,000	4.54%	2,338	105,338.10	107,676.20
	<u>1,757,400</u>		<u>1,013,759</u>	<u>2,771,159</u>	<u>2,771,159</u>